



February 26, 2020

The Office of the BC Container Trucking Commissioner
1085 Cambie Street
Vancouver, BC V6B 5L7

RE: CTS Licence Reform Submission – (CTS Licence Reform: 2020 Licence Application Process & Tag Management Policy)

Dear Mr. Crawford,

AG Transport Ltd. is in receipt of your proposed “CTS Licence Reform: 2020 Licence Application Process & Tag Management Policy” and has feedback in regards to the suggested change in truck tag requirements.

AG Transport Ltd. strongly opposes the minimum number of truck tags required to be relicensed being increased from 5-trucks to 10-trucks. Failing to allow companies, which are currently licenced, to continue operating based on their size alone, without taking into consideration their years in business, their revenues and customer base, their I/O and Company Drivers earnings, and their ability to follow the rules set out in their existing license is not only discrimination, but frankly reckless.

This change in policy will put many profitable small companies out of business and will cause an unnecessary number of owners and office staff to be unemployed in a struggling economy. Furthermore, this change will affect I/O's which are sponsored by companies with fewer than 10 tags. We currently sponsor I/O's who have 20 years of seniority with our company. Their years of service within this industry would be worthless, they will go to the back of larger fleets, and perform fewer trips per day. The work they do perform would also be at a lower pay rate since we are a UNIFOR certified company which pays rates higher than those mandated by the OBCCTC. Many I/O's are on a single household income and a decrease in earns could be detrimental to their families.

It is our opinion that no real explanation, as to why companies with fewer than 10-tags are not worthy of relicensing, has been provided. Why not 9-tags or 11-tags? On the morning of February 11th on the radio, in regards to the tag threshold being raised from 5-tags to 10-tags, you stated that “what we have seen historically with the smaller operators is more

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challenges with some of the record keeping issues with the companies, rate payment...”; however, one of your most recent decisions, decision No. 12/2019 on your website, clearly indicated that this issue is also occurring amongst companies with far more than 10-tags. To eliminate smaller companies based on issues that are also occurring amongst larger companies is blatant discrimination.

It is a common misconception within the trucking industry that small companies engage in rate undercutting; however, small companies must have higher profit margins in order to stay afloat. Requests for undercutting and volume discounts are commonplace amongst big box customers who provide trucking companies with large volumes of containers. Small trucking companies do not service these customers, as they do not have the manpower to handle the volume. In reality, smaller companies have the flexibility to turn down work with low profit margins as they have fewer drivers they need to keep busy. This makes many of them more profitable and therefore more likely to pay their I/O's and company drivers the correct regulated rates on time. We strongly believe that eliminating smaller carries will not help create stability and rate regulation within the industries and that it will actually have an adverse effect.

We live in a democratic country, we pay taxes, and have invested time and money into businesses that support our families and those of our I/O's and employees, we deserve to be treated equally and not be discriminated again, as this a fundamental term in the Canadian Charter of Rights and Freedom.

As per the Government of British Columbia's "2019 Small Business Profile" 467,500 small business in British Columbia employ 9 or fewer employees. These companies make up 91% of all small business within the province. By implementing a change that allows companies to be forced out of business solely based on the fact of their size, you would be setting a precedent that this type of behaviour is tolerable and can be used in other industries within the province. This could not only have damaging effects on the 467,500-small businesses with fewer than 10 employees, but also on the economy at large and the unemployment rates in this country.

Rather than engaging in unjust practices, we suggest that companies be relicensed based on their track record and ability to follow the rules that are set out in the existing licence agreements.

Sincerely,



Anita Aheer
for Madan Aheer - President

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